



United States Department of the Interior

Bureau of Land Management
3028 East Main Street
Cañon City, Colorado 81212



FRONT RANGE RESOURCE ADVISORY COUNCIL MEETING SAGUACHE, COLORADO MAY 20, 2008

MINUTES

ATTENDEES

Group 1: Jim Coleman, Charles Rech, Gene King

Group 2: Aaron Clark, Lucy Bambrey

Group 3: Frances Mathews, Loren Whittemore,

GUESTS: Ceal Smith, Director, Citizens for San Luis Valley Water Protection Coalition; Tamara Ellentuck, Media & Outreach Coordinator, Citizens for San Luis Valley Water Protection Coalition; Erin Minks, U.S. Representative John Salazar's office, Alamosa.

BLM/USFS PERSONNEL: Roy Masinton, Dan Dallas, Andrew Archuleta, Dave Hunsaker, John Dow, Mike Blakeman, Dwight Irwin, John Murphy, Mark Swinney, Brian Garcia, Steve Sanchez, Lisa Van Amberg, Tristram Post

MANAGERS' UPDATE: Dan Dallas, San Luis Valley Public Lands Center, outlined the reorganization of the USFS/BLM, management structure. A year ago, the Monte Vista office had nine people on its Leadership Team. Today, due to retirements and reorganization, two of those are left. The organization is going from four staff officers to two line officers. Even though the budgets for land management agencies continue to go through hard times, employees have dealt with this well, and the work continues to get done.

Roy Masinton, Royal Gorge Field Office, said that because the BLM is currently operating under a serious reduction in funding for travel, he would like to make the July RAC meeting in Canon City one day instead of two. (The group decided on July 15 for the meeting date.) He also gave a short update on the Southern Delivery System, which aims to deliver Arkansas River water to Colorado Springs. The option of including the BLM's Blue Heron property outside Florence as part of the delivery system is not a preferred option. The EIS for the project is available online, and the comment deadline is June 14.

Doc McKay, who had been the RAC member representing elected officials, passed away May 8. This slot will be filled along with the five that come due for appointment this year.

Roy Hunsaker, BLM Associate State Director for Colorado, introduced himself to the RAC and talked about the nationwide organizational changes the agency is going through. After 10 years with

a two-tier management structure, BLM is returning to a three-tier structure: field office, district office and state office. They hope to have approval within the next few weeks for the restructuring in Colorado.

ARKANSAS RIVER TRAVEL MANAGEMENT: The State Director has signed the final decision document. The next stage is for the implementation decision to be signed. BLM doesn't anticipate many problems with appeals.

OVER THE RIVER EIS UPDATE: The artist has supplied the additional information requested at the last meeting, including a pretty good timeframe, which can be taken to the third-party contractor. Union Pacific has said they are willing to negotiate with the artist over use of railroad land; there will be stipulations, and these need to be spelled out before the process can go forward. BLM has already consulted with the Division of Wildlife (CDOW), Colorado Department of Transportation and State Parks and gotten their concerns. Over the next month and a half, the BLM will get a contract out for a third-party contractor; the artist is paying for the cost of the contractor.

SOUTH PARK LAND TENURE ADJUSTMENT PLAN: BLM is close to a final decision document that will go to the State Director and undergo a 60-day Governor's review.

PUBLIC COMMENT: Ceal Smith of the Citizens for San Luis Valley Water Protection Coalition spoke about citizens' interest in knowing what will happen to the parcels in the Rio Grande National Forest that were pulled from the May 8 oil and gas lease auction.

Dan replied that significant points and legal issues brought up in the protests about the parcels are being evaluated. As to future plans for leasing, he said he doesn't have an answer, but doubted they'll be on the August 2008 auction list. If they do come back up, the entire process, including public comment, starts again. The three parcels near the town of Crestone were leased at the May 8 auction, so the BLM is now looking at the legal validity of issues raised in protests concerning these parcels. If the issues are valid, the parcels might be released with a no surface occupancy stipulation, meaning the oil company has to figure out how to drill without disturbing the surface. If the company comes in with an application to drill, a whole other NEPA process begins.

He added that oil companies are doing a lot of leasing on public lands at this time, a lot of it speculative. Ceal then asked if he is anticipating any new parcels in the area being nominated, and Dan replied that he's not aware of any. If more parcels are nominated, the public and local entities will hear from the BLM 60 days before the auction date.

OIL & GAS IN THE SLV: Mike Blakeman, public affairs officer for the SLV Public Lands Center, handed out a fact sheet on the May 8 oil and gas lease sale. All of the 133 parcels originally nominated for this auction received protests. BLM elected to defer 84 parcels, all on Rio Grande National Forest land in the Valley area, pending more in-depth review of issues brought up in the protests. Three parcels of BLM land near Crestone were auctioned.

He also gave the RAC an overview of the BLM oil and gas program, from lease sale to lease development. BLM lease auctions occur four times a year and are by nomination only. Both the BLM and the USFS have a review process that takes place before parcels are placed on the auction list. Stipulations that may be added include no surface occupancy, timing limitations and controlled surface use. (Ceal commented that she had found documents stating that 87 percent of industry

requests for waivers of lease stipulations had been granted; Mike replied that they have found only one situation in Region 2 where small areas on a “no surface occupancy” lease were waived.) The BLM State Office issues the auction notices; there is a 45-day public review period that is announced at least 60 days before the sale date. Leases are auctioned by competitive bidding at a \$2/acre minimum, with 10-year terms.

Mike also handed out an opinion piece by Dan Dallas on the recent oil and gas lease sale controversy that was distributed to media on May 21. The article said that while Dan is impressed with the way Valley residents organized around the issue, he also is concerned by some misinformation that was circulated in a “fact” sheet. These included misinformation about how many acres of the Rio Grande National Forest had been analyzed for oil and gas development; the “fact” sheet said only 120 acres had been analyzed; actually, analysis of the entire Forest was completed as part of the 1996 revised forest plan. Another example: The “fact” sheet said that the SLVPLC did not consult with the counties or CDOW. According to Dan, he or his staff met with CDOW and county officials at least twice prior to the public announcement that the parcels were being proposed for auction.

Tamara Ellentuck of the Citizens for San Luis Valley Water Protection Coalition was in the audience and had written the “fact” sheet. She said that this has been a learning process for everyone. She did have some concerns about his opinion piece, adding that the Saguache County commissioners have stated they had not been legally consulted according to the provisions of the Forest Management Planning Act. In the end, Tamara and Dan agreed that they have a common goal of informing the public, and that the dialog will continue.

ALTERNATIVE ENERGY DEVELOPMENT: John Murphy, SLVPLC’s recreation program manager, talked about the Valley’s potential for alternative energy development. This kind of development received a boost from the Energy Independence and Security Act, signed last December. The BLM is supposed to facilitate development of solar and wind energy, and the Valley is the best location in the state for solar energy, according to the National Renewable Energy Laboratory. Currently, there is one approximately 60-acre solar array near Mosca on private land. The BLM received an inquiry from Optisolar, a Canadian solar panel manufacturer, about a 2,000-plus acre site near Saguache. The largest transmission line in the Valley goes right across the land, and Xcel is reportedly very interested in the possibility of development on the site. However, they have elected to wait to do a formal proposal until the BLM programmatic EIS for solar power is completed; it has been fast-tracked and should be done in about 16 months.

There are two ROW grants for sites to test the feasibility of wind energy development in the Valley. One site is on Houghland Hill west of Saguache; results should be available in about three years.

When it comes to geothermal energy, the Valley does have the resource. However, any geothermal development would be greatly complicated by issues involving water rights and the confined aquifer that feeds the Closed Basin Project.

PROJECT UPDATES: Mark Swinney updated the RAC on:

Term Permit Renewals. The effort continues but will not be completed by the September 2009 deadline. Eight EAs have been completed. Seven have not been started, of which four are custodial.

Mark added that “Service First” has really helped the process by making USFS subject matter experts available to the BLM.

Travel Management. He hopes to issue the final EA with Appendix 25 (Response to Comments) by the end of this month. Next steps are the state decision process and Governor’s review. He expects the process to be complete by the end of the year.

Anderson Ditch. Augmentation water for the Blanca Wetlands has been an ongoing problem. This is the first time that a proposal to trade BLM land for water rights has gone forward. The parcels proposed for sale have changed. Some parcels near Saguache have taken the place of the original parcels near Del Norte. Approval of the property list is expected; the next steps will be to get appraisals of the land and value of the water.

STATUS OF SLV BIGHORN SHEEP. Dwight Irwin, USFS wildlife biologist in Saguache, gave a short history and status of the bighorn sheep herds in the Valley area. Like the rest of the West, the Valley has experienced sharp drops from estimates of historic numbers, due to unregulated hunting, habitat loss and introduced diseases. Colorado currently has about 7,500 bighorns in 73 herds that are managed by CDOW. Most of these herds are small and isolated, and many populations are on “life-support.”

In the SLV, seven herds live on both USFS and BLM land, though most winter on BLM land. The herds and their numbers are: Sangre de Cristos, 325; Trickle Mountain, 45; Carnero Creek/Natural Arch, 20; San Luis Peak, 85; Bristol Head, 110; N. South San Juans, 35; S. South Juans, 75, for a total of 695 individuals. The Sangre de Cristos herd is one of the best populations in the state and appears secure at this time. The Trickle Mountain herd numbered perhaps 750 at its highest levels, but experienced large die-offs in the late 1980s and early 1990s due mainly to disease. The herd is now being studied jointly with CDOW.

BLM FUELS TREATMENT PROJECTS. Brian Garcia, BLM wildlife biologist-fire/fuels, gave an overview of the SLVPLC’s efforts to reduce fuels and thus the threat of wildfire in the wildland urban interface (WUI), while also enhancing wildlife habitat and restoring forest health. From 2003-2008, 8,380 acres of WUI land and 3,575 acres of non-WUI land have been treated. Methods range from using a Hydro-ax (“a lawnmower on super-steroids”) to hand thinning, burning and chipping.

Examples of projects Brian showed photos of include Zapata Falls/Blanca Peak, where Hydro-axing has been used to open up dense piñon-juniper stands to improve habitat and encourage the local elk herd to stay on public land. At Greenie Mountain, another critical winter range area, they created feathered openings and attacked decadent stands of trees. In WUI areas, techniques often have to be modified to fit what the local residents will tolerate. The Crestone area is considered a community at risk for wildfire. In 2003, Brian spent a lot of time explaining Hydro-axing, but many in the community were skeptical, so a lot of hand-.In Cody Gulch, which is surrounded by a subdivision, the community wouldn’t go for Hydro-ax treatment, so the crews had to do hand-thinning and chipping. In the Cottonwood Creek/Kelly Creek subdivision, 140 acres were Hydro-axed.

KERBER CREEK RESTORATION. Steve Sanchez, BLM natural resource specialist in Saguache, brought the RAC up to date on efforts to remediate mill tailings along Kerber Creek north and west of Saguache. Tailings from more than 100 years of mining had been dumped in a 25-mile watershed. Along several stretches, water quality chemistry for cadmium, silver, lead, copper, zinc, and pH do

